

Washington, DC – At a news conference with the Oregon AFL-CIO and Oregon Labor Commissioner Dan Gardner today, Congressman Earl Blumenauer (D-Ore) expressed outrage with the administration's new regulations on overtime pay, which will take effect on August 23. The regulations will cut the pay and lengthen the hours for workers making as little as \$23,660, with the greatest impact of the regulations being felt by middle-income workers making between \$23,660 and \$100,000. A recent study by the Economic Policy Institute shows that this will deny overtime rights to at least six million workers, at a time when household incomes are down, prices are up, and there is a 1.8 million private-sector jobs deficit.

"These regulations will result in a pay cut for middle-income Americans," said Blumenauer. "In 2000, overtime pay accounted for about a quarter of the income of employees who worked overtime. The regulations, which I fought and voted against, will hurt workers right here in Oregon from pre-school workers to local restaurant supervisors."

Nationwide, the Department of Labor's regulations deny overtime pay to 30,000 nursery and pre-school teachers, 1.9 million low-level working supervisors in fast food restaurants, lodging and retail stores, and more than 900,000 employees without a college or graduate degree who would become "professional employees" because employers will be able to substitute work experience for a degree. In addition, anyone designated a "team leader" on a "major project" by their employer would be denied overtime as well, even if they are not a supervisor, which could strip nearly 2.3 million workers of their overtime protections. In a boon to well-connected special interests, the regulations also deny overtime to 160,000 workers in the financial services industries, 130,000 chefs, and 87,000 computer programmers.

Last spring, the Bush Administration came forward with their proposed regulations on overtime. After these dangerous regulations were finalized in April, House Democrats offered amendments and motions to allow the increase protection for low-wage to go into effect, while prohibiting the administration from going ahead with overtime cuts for six million others. But Republicans in the House have consistently voted against these measures

"These regulations add further insult to the injuries inflicted on middle class working families over the past three and a half years," continued Blumenauer. "1.8 million private-sector jobs have been lost nationwide since Bush took office, including 17,000 here in Oregon. At a time when middle-income families are feeling the pinch of the administration's failed economic policies, it is unthinkable that the Department of Labor is proposing overtime regulations that cut the pay that families depend on."

